

# CONSULTATION TO OBTAIN INPUT ON THE NEW TSCA PROVISION TO COLLECT FEES

## AGENDA

SEPTEMBER 13, 2016

### *Goals for Consultation Meeting:*

- Inform Industry of estimates for fee collection submissions/actions and costs for administration of Sections 4, 5, 6 and 14.
- Address relationship of costs to lower of 25% or \$25M in fee collection.
- Identify Small Business fee considerations.
- Identify proposals for achieving lower of 25% or \$25M fee collection.
- Identify proposals for fee payer distribution.

### **Agenda:**

9:30-10:00 Introduction

EPA to present estimated costs of work associated with TSCA sections 4, 5, 6 and 14  
(For this agenda item, see Attachment A)

- Total estimated costs for work associated with each section
- Total estimated costs per submission or action designated for possible fee collection
- General description of cost components

EPA to define total Agency need at 25% or \$25M

10:00-10:30 Small Business discussion

- Definition
- Reduced fees

10:30-12:00 Industry proposals for reaching 25% or \$25M  
(For this agenda item, see Attachment B)

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1:00-1:45 Continuation of consultation on proposals for reaching 25% or \$25M

1:45-2:15 Industry proposal for fee payer distribution

2:15-3:00 Next Steps and Wrap Up

## Attachment A for Cost Estimates Presentation

Draft cost estimates under the provisions of TSCA as amended are presented here for purposes of discussion. Best estimates based on our current understanding of the program needs are provided below.

A	B	C	D
<b>**DRAFT COST ESTIMATES FOR PURPOSES OF DISCUSSION**</b>			
<b>Estimated Costs in Thousands</b>			
	Estimated Lifecycle Cost Per Submission/Action	Estimated Number of Submissions/Actions Underway Per Year	Estimated Annual Costs
<b>Section 5</b>			
	<b>Lifecycle Cost Per Submission</b>		
PMN (inc. SNUN/MCAN/TME/TERA)	\$ 59.63	463	\$ 27,608.69
LVE/LoREX/Tier II	\$ 16.90	288	\$ 4,867.20
Other Exemptions	\$ 0.12	340	\$ 42.16
NOC	\$ 11.60	305	\$ 3,538.00
Total			\$ 36,056.05
<b>Section 6</b>			
	<b>Lifecycle Cost Per Risk Evaluation</b>		
Risk Evaluation	\$ 3,670.89	20	\$ 24,472.60
Risk Management Costs			\$ 31,533.10
Other Section 6 Costs			\$ 618.37
Total			\$ 56,624.07
<b>Section 4</b>			
	<b>Lifecycle Cost Per Activity</b>		
Test Order	\$ 325.18	9	\$ 2,926.62
Test Rule	\$ 956.82	2	\$ 956.82
Consent Agreement	\$ 705.27	5	\$ 3,526.35
Total Test Rule/Order/Consent Agreement Cost			\$ 7,409.79
Other Section 4 Costs			\$ 1,252.10
Total			\$ 8,661.89
<b>Section 14</b>			
CBI Reviews Required Under the new provisions of TSCA			\$ 8,862.40
Total Costs for Administering Section 4, 5, 6 and 14			\$ 110,204.41
<b>**DRAFT COST ESTIMATES FOR PURPOSES OF DISCUSSION**</b>			

Cost Estimates Include Overhead:

Overhead includes but not limited to; program management and oversight, data management systems, data tracking and notification systems, Agency infrastructure, Office of Inspector General, and financial management.

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## **Attachment B** *for Fee Structure Proposals Discussion*

In developing the approach for collecting fees under the new TSCA, EPA is consulting with industry on preferred approaches that would meet the needs of both industry considerations and the Agency to defray costs of the lower of 25% or \$25M. The following are some highlights from comments received during the public meeting with industry and the docket on the implementation of the new TSCA provision to collect fees. It is not intended to be all inclusive of the comments but illustrative of considerations for the discussion.

- Support for Agency collection of fees for implementation of new TSCA
- Keep fee structure simple and straightforward
- Link fees to costs of section under which charged
- Smaller fees for small business
- Treat CBI as overhead versus per claim
- Allow for fees to be segmented with process
- Certain types of submissions or actions identified in the law for possible fee collection should either not be included or at a nominal rate
- Transparency
- Consider barriers to innovation
- Allow industry to form consortia for risk evaluations and test orders

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